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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/608,057	06/30/2000	Steve Kakouros	10004812-1	9467
7590	06/02/2006		EXAMINER	
HEWLETT-PACKARD COMPANY Intellectual Property Administration P.O. Box 272400 Fort Collins, CO 80528-9599				CUFF, MICHAEL A
		ART UNIT	PAPER NUMBER	3627

DATE MAILED: 06/02/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/608,057	KAKOUROS ET AL.
	Examiner	Art Unit
	Michael Cuff	3627

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 06 March 2006.
- 2a) This action is FINAL. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-6,8,9,12 and 14-21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-6,8 and 14-21 is/are rejected.
- 7) Claim(s) 9 and 12 is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 101

The 101 rejection has been withdrawn. In discussions with our 101 "help panel", they suggest that a step of obtaining the product to the computed optimal safety stock level would remove doubts about the 101 issue.

Claim & Specification Notes

The examiner would like to thank applicant for taking the time to clarify the record.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-6, 8, and 14-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brinkley et al. in view of Salvo.

Brinkley shows all of the limitations of the claims except for specifying that the planning of a safety stock level based on the use of product availability from the spot market and non-spot market and the use of web based supply ordering.

Brinkley et al. shows, figures 4 and 6, an inventory management system. One of the first decision points in the Brinkley system is to compare average order cost to a

cost limit (column 10, line 15). The average order cost of the inventory item is the total dollar sales (product cost for spot and non-spot market items) for the total period surveyed divided by the total number of orders for the item during that period. Under some strategies the safety stock (SS) level can be calculated as shown in column 13, line 10 (maximum safety stock level). Under other strategies, where the supply lead time is less than the customer requirement interval, the SS level is 0 (optimal SS level).

In regards to claims 3-8 and 10-14, see input and output data of figures 4 and 6.

Column 1, line 30 recites, "Also important is the availability of alternate suppliers and substitutability of goods." For planning and estimating purposes, it is obvious that one could review many combinations of suppliers.

Salvo et al. teaches, figure 1, a inventory management system where the inventory price source module 126 searches for and compares buying options in order to optimize purchase value. The inventory price source comprises at least one of economic indicators, economic models, commodity pricing indexes, spot market pricing, Dow Jones information, other market information, and other inventory price sources (non-spot market pricing). The control unit 114 stores and analyzes historical trends of inventory prices to determine analyzed inventory price trends. The Salvo system also makes wide use of web base technology (web sites) for automatic ordering in order to take advantage of current technology.

Based on the teaching of Salvo et al., it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to modify Brinkley et al. system to incorporate the inventory price source module of Salvo et al. as a source for

many set of input values in the Brinkley et al. process which plans safety stock levels in order to optimize purchase value. It would have also been obvious to Brinkley et al. to incorporate Salvo's use of web base technology (web sites) for automatic ordering in order to take advantage of current technology.

Response to Arguments

Applicant's arguments filed 3/6/06 have been fully considered but they are not persuasive.

Applicant asserts that product cost is not an input for the safety stock calculations in Brinkley. This is not claimed. Notice in the claim language is only based on obtaining a cost of obtaining the product. It does not require the cost to be a specific input into the calculation of the safety stock. Brinkley has six different methods of determining how to re-order, which includes calculating a safety stock. The average cost of obtaining a part helps determine which method should be used. Therefore, the final safety stock of Brinkley is "based at least in part on a cost of obtaining a product".

Allowable Subject Matter

Claims 9 and 12 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

The following is a statement of reasons for the indication of allowable subject matter: Claim 9 recites a step of computing iteratively reducing the second amount of

the product from and initial amount ... Brinkley does not show or teach this feature in combination with the previous claims upon which it is dependent. Claim 12 is dependent upon claim 9.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Michael Cuff whose telephone number is (571) 272-6778. The examiner can normally be reached on 8:00 to 5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone

number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Michael Cuff
May 29, 2006